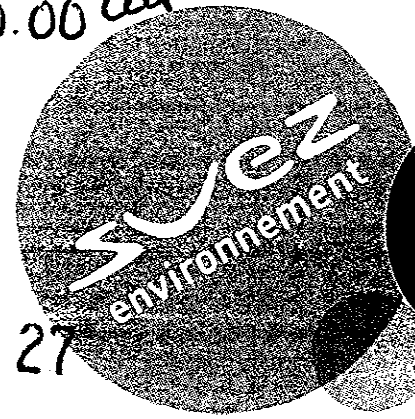


Doc. No 13-472  
CK# 6275 \$100.00 ad

**UNITED WATER DELAWARE**  
2000 First State Boulevard  
P.O. Box 6508  
Wilmington, DE 19804-3569  
TEL 302-252-3035  
[www.unitedwater.com](http://www.unitedwater.com)

RECEIVED  
2013 NOV 27 PM 1 27  
DELAWARE P.S.C.



Alisa  
Kevin  
Lisa  
Donna  
Vincent

November 26, 2013

Ms. Alisa C. Bentley, Secretary  
Delaware Public Service Commission  
861 Silver Lake Boulevard  
Cannon Building, Suite 100  
Dover, DE 19904

SUBJECT: United Water Delaware Inc. (UWDE)  
Distribution System Improvement Charge (DSIC) Filing

Dear Secretary Bentley:

Enclosed for filing with the Commission are an original and five (5) copies of the following:

- UWDE's Application concerning the DSIC Filing
- The following Tariff Sheets – United Water Delaware Inc. – P.S.C. No. 6 – Water, Effective January 1, 2014
  - Twentieth Revised Sheet No. 1 – Table of Contents
  - Eighteenth Revised Sheet No. 17 – Distribution System Improvement Charge
- \$100 Filing Fee. UWDE Check # 6275

Should you have any questions or require additional information, please contact Peiling Lin at (201) 767-2844 or [peiling.lin@unitedwater.com](mailto:peiling.lin@unitedwater.com).

Very truly yours,

A handwritten signature in cursive script, reading "Susan Skomorucha/s/c".

Susan Skomorucha  
General Manager

Enclosures

Cc: Division of Public Advocate  
K. Doherty  
P. Lin

# United Water®

MANAGERS FUND  
UNITED WATER DELAWARE  
2000 FIRST STATE BOULEVARD  
WILMINGTON, DE 19804-0508

M & T BANK  
WILMINGTON, DE  
60-295/313

6275

11/25/2013

PAY TO THE ORDER OF Delaware PSC

\$ \*\*100.00

One Hundred Only

DOLLARS

Delaware PSC  
Cannon Bldg, Suite 100  
861 Silver Lake Blvd  
Dover, DE 19904

TWO SIGNATURES REQUIRED OVER \$2000.00

VOID AFTER 180 DAYS

MEMO DSIC Filing Nov 2013

⑈006275⑈ ⑆031302955⑆

23880954⑈

UNITED WATER DELAWARE / MANAGERS FUND

Delaware PSC  
600 G&A:91350 Outside Svc Oth

11/25/2013

6275

100.00

Managers Fund

DSIC Filing Nov 2013

100.00

UNITED WATER DELAWARE / MANAGERS FUND

Delaware PSC  
600 G&A:91350 Outside Svc Oth

11/25/2013

6275

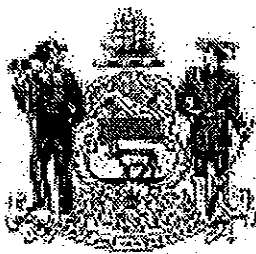
100.00

PAYMENT  
RECORDED  
DELAWARE P.S.C.  
2013 NOV 27 PM 1 27  
RECEIVED

Managers Fund

DSIC Filing Nov 2013

100.00



STATE OF DELAWARE  
**THE PUBLIC SERVICE COMMISSION**  
 CANNON BUILDING  
 861 SILVER LAKE BLVD., SUITE 100  
 DOVER, DELAWARE 19904

RECEIVED  
 2013 NOV 27 PM 1 27  
 DELAWARE

TELEPHONE: (302) 739-7529  
 TELECOPIER: (302) 739-4849

**FILING COVER SHEET**

1. NAME OF APPLICANT: United Water Delaware Inc.

2. TYPE OF FILING: RATE CHANGE ☒  
 FUEL ADJUSTMENT ☐  
 ADMINISTRATIVE ☐  
 CPCN ☐  
 NEW SERVICE OFFERING ☐  
 OTHER - DESCRIBE \_\_\_\_\_

IF A TELECOMMUNICATIONS FILING, WHAT TYPE OF SERVICE IS IMPACTED?

BASIC \_\_\_\_\_ COMPETITIVE \_\_\_\_\_ DISCRETIONARY \_\_\_\_\_

3. PROPOSED EFFECTIVE DATE: January 1, 2014

IS EXPEDITED TREATMENT REQUESTED? YES ☐ NO ☒

4. SHORT SUMMARY OF FILING: semi-annual DSIC adjustment

5. DOES THIS FILING RELATE TO OTHER DOCKETS: YES ☒ NO ☐

IF YES, LIST DOCKET(S) NO(S): PSC Docket No. 13-216

6. IS PUBLIC NOTICE REQUIRED? YES ☐ NO ☒  
 IF YES, PLEASE ATTACH COPY OF PROPOSED PUBLIC NOTICE.

7. APPLICANT'S CONTACT PERSON: NAME: Susan Skomorucha  
 TITLE: General Manager  
 PHONE: (302) 252-3035  
 FAX: (302) 633-5910  
 EMAIL: susan.skomorucha@unitedwater.com  
 WEBSITE (IF APPLICABLE) www.unitedwater.com

8. DID YOU PROVIDE A COMPLETE COPY OF THE FILING TO THE PUBLIC ADVOCATE?  
 YES ☒ NO ☐ IF YES, WHEN? 11-26-2013

9. FILING FEE ENCLOSED: AMOUNT: \$ 100.00

**NOTE:** House Bill 681, enacted into law 7/13/98, authorizes the Commission to recover the cost of time spent by in-house staff to process all filings initiated after the date of enactment. You may be required to reimburse the Commission for staff time.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF :  
UNITED WATER DELAWARE INC. :  
CONCERNING THE SEMI ANNUAL :  
ADJUSTMENT TO THE DISTRIBUTUION :  
SYSTEM IMPROVEMENT CHARGE ("DSIC") :  
EFFECTIVE JANUARY 1, 2014 PURSUANT TO :  
DEL. C. § 314(b) (5) :

UNITED WATER DELAWARE INC. (hereinafter referred to as "UWDE") a duly organized and existing Public Water Utility Corporation, regulated by the Delaware Public Service Commission (hereinafter referred to as the "Commission"), hereby petitions the Commission pursuant to 26 Del. C. § 314 (b) (5), for permission to adjust its Distribution System Improvement Charge (hereinafter "DSIC") effective January 1, 2014.

1. On November 30, 2001, UWDE filed for permission to establish a DSIC rate for the automatic adjustment of its rates and charges and providing for recovery of associated costs in accordance with 26 Del. C. § 314. UWDE's application received Commission approval on December 11, 2001, by Order 5854, PSC Docket No. 01-481.
2. Thus, pursuant to 26 Del. C. § 314 (b)(5) UWDE hereby requests Commission permission to adjust its DSIC rate The aforementioned section states that the DSIC rate shall be adjusted semiannually for eligible distribution system improvements placed in service during the six month period ending 2 months prior to the effective date of changes in the DSIC rate.

3. Attached hereto, supporting the development of the surcharge are Schedules 1, 1A, 1B, 2 and 2A in accordance with Commission Order No. 8138 approved April 17, 2012, and the regulations approved therein.
4. Attached hereto as Schedule 3 are revised tariff sheets to P.S.C. No. 6 – Water, issued November 26, 2013 to become effective January 1, 2014:
  - Table of Contents - Twentieth Revised Sheet No. 1
  - Miscellaneous Charges – Distribution Improvement Charge for United Water Delaware Inc. - Eighteenth Revised Sheet No. 17
5. The UWDE customer rate adjustment reflected by this application increases the DSIC Rate from 4.15% to 5.28%. The adjusted rate of 5.28% is to be applied to bills rendered on or after January 1, 2014. This increase is less than a (5%) increase in current rates of UWDE customers and, as such, satisfies the requirements of 26 Del. C. § 314 (b) (7).
6. Customers will be notified of this change with a statement that shall be printed on the first bill following the effective date of this change. The statement will indicate that the DSIC Rate has changed from 4.15% to 5.28% effective January 1, 2014.
7. UWDE requests a waiver from the currently established Minimum Filing Requirements. The form and content of this application are similar to those of the previous filing on November 18, 2011, which was agreed to by Commission


Staff and the Division of the Public Advocate in lieu of the pending establishment of specific filing requirements associated with the DSIC.

8. Concurrent with this filing, supporting work-papers are being filed with Commission Staff and the Division of the Public Advocate.
9. A copy of this filing has been forwarded to the Division of Public Advocate.

WHEREFORE, UWDE respectfully requests that the Commission approve the proposed Distribution System Improvement Charge and rate adjustment requested herein.

Respectfully submitted,  
UNITED WATER DELAWARE INC.

Date: 11/26/13

By:   
Susan Skomorucha  
General Manager

Schedule No. 1  
DEVELOPMENT OF RATE AND SUPPORTING DATA  
United Water Delaware

Item	Docket No. 11-503 7/1/11 - 10/31/11	Docket No. 12-230 11/1/11 - 4/30/12	Docket No. 12-540 5/1/12 - 10/31/12	Docket No. 13-216 11/1/12 - 4/30/13	5/1/13-10/31/13	Total
1 Net Utility Plant Additions	\$ 2,014,040	\$ 1,274,276	\$ 2,367,988	\$ 1,186,955	\$ 1,302,705	\$ 8,145,964
2 Net Accumulated Depreciation Reserve Change	\$ (32,035)	\$ 19,082	\$ 105,673	\$ 103,509	\$ 16,678	\$ 212,907
3 Net Change in Rate Base (Line 1 + Line 2)	\$ 1,982,005	\$ 1,293,357	\$ 2,473,661	\$ 1,290,464	\$ 1,319,383	\$ 8,358,870
4 Pre-tax Rate of Return	11.81%	11.81%	11.81%	11.81%	11.81%	11.81%
5 Semi-Annual Pre-Tax Rate of Return	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
6 Semi-Annual Investment Cost Recovery	\$ 117,033	\$ 76,370	\$ 146,065	\$ 76,199	\$ 77,907	\$ 493,575
7 Semi-Annual Depreciation Expense	\$ 32,035	\$ 13,699	\$ 36,566	\$ 25,830	\$ 23,216	\$ 131,347
8 Total Semi-Annual DSIC Revenue Requirement (Line 6 + Line 7)	\$ 149,069	\$ 90,069	\$ 182,631	\$ 102,029	\$ 101,123	\$ 624,922
8A Total Over/(Under) Collection from Previous DSIC Revenue Requirement		\$ (7,326)	\$ (776)	\$ (8,912)	\$ (8,912)	\$ (8,912)
9 Total Semi-Annual DSIC Revenue Requirement	\$ 149,069	\$ 97,394	\$ 183,407	\$ 110,941	\$ 110,035	\$ 633,833
10 Semi-Annual Projected Water Service Revenues	\$ 11,966,700	\$ 13,051,400	\$ 11,923,900	\$ 12,829,700	\$ 12,008,300	\$ 12,008,300
11 Projected DSIC Rate Increase Percentage	1.25%	0.75%	1.54%	0.86%	0.92%	5.28%

(1)

(1) The current cumulative total percentage does not equal the sum of each element due to the different projected revenues in each of the filing periods.

**- Schedule No. 1A -  
CAPITAL STRUCTURE APPROVED IN MOST RECENT GENERAL/BASE RATE CASE**

**United Water Delaware**

Capital Structure in in PSC Docket 10-421, September 12, 2011					
	Percentage	Cost	Weighted Cost	Revenue Multiplier	Pre-Tax
Cost of Debt	47.80%	6.15%	2.94%		2.94%
Cost of Equity	52.20%	10.00%	5.22%	1.6973	8.87%
	100.00%		8.16%		11.81%

**- Schedule No. 1B -  
OVER/UNDERCOLLECTIONS FROM PREVIOUS DSIC FILINGS  
United Water Delaware**

Docket No.	Over/(Under) Collection
2012 Reconciliation	\$ (17,823) *
Total	\$ (17,823)

\* \$17,823 represents the annual under collection from 2012.  
50%, or \$8,912 is recoverable through this semi annual filing.



**- Schedule No. 2 -  
PROJECTS PLACED INTO SERVICE AND/OR RETIRED  
United Water Delaware**

Utility Plant in Service 5/1/13 - 10/31/13				
Project Name	Description	Project No.	DSIC Amount (net of CIAC)	Retirement Costs
EDGEMOOR GARDENS PH 2	Replace main, 275 services & 7 hydrants	C12D601_027	\$ (22,501)	\$ -
JACKSON AVE & DUSTIN DR	Replace 110' AC Main	C12D604_027	\$ (311)	\$ -
VEALE AND EVERGREEN ROADS	Replace 1270' CI Main, 2 valves and 1 hydrant	C13D602_027	\$ 125,263	\$ 5,214
VEALE AND HARVEY ROADS	Replace main, valves, 1 hydrant and 21 services	C13D603_027	\$ 292,498	\$ -
Repl Hydrants	Replace Hydrants - 2013	C13D501_027	\$ 8,174	\$ 1,158
Repl Short Mains & Valves	Replace Short Mains & Valves - 2013	C13D502_027	\$ 114,009	\$ 2,572
Repl Domestic Svcs	Replace Domestic Services - 2013	C13F501_027	\$ 155,557	\$ 422
Repl Customer Meters	Replace Meters - 2012	C12G501_027	\$ (28)	
Repl Customer Meters	Replace Meters - 2013	C13G501_027	\$ 685,392	\$ 45,982
TOTAL			\$ 1,358,052	\$ 55,347
NET TOTAL			\$ 1,302,705	

- Schedule No. 2A -  
**NET ACCUMULATED DEPRECIATION**  
**United Water Delaware**

Utility Plant in Service 5/1/13 - 10/31/13

<u>Account Name</u>	<u>NARUC Account</u>	<u>Amount</u>	<u>Depreciation Rate</u>	<u>Depreciation Amount</u>
Struct. & Improvements	33100	\$ -	1.23%	\$ -
Water Treatment Equipment	33200	\$ -	2.53%	\$ -
Mains	34300	\$ 523,827	1.00%	\$ 5,238
Services DOM	34500	\$ 129,436	1.96%	\$ 2,537
Meters	34600	\$ 642,923	5.99%	\$ 38,511
Hydrants	34800	\$ 6,519	2.25%	\$ 147
Communications	39700	\$ -	7.34%	\$ -
<b>TOTAL</b>		<b>\$ 1,302,705</b>		<b>\$ 46,433</b>
Semi-Annual Depreciation Expense				<b>\$ 23,216</b>

<b>Accumulated Depreciation Reserve Change</b>	
Semi-Annual Depreciation Expense	\$ 23,216
Retirements and Cost of Removal	\$ (39,895)
<b>TOTAL</b>	<b>\$ (16,678)</b>

## Schedule 3

### Revised Tariff Pages

TABLE OF CONTENTS

<u>Description</u>	<u>Sheet No.</u>	<u>Revision</u>
Index	1	Twentieth Revised
<u>Rules and Regulations</u>		
Definitions	2	Original
Request for Service	2	Original
Service Connection	3	Original
Cross Connections	4	Second Revised
Meters	4	Second Revised
Meter Setting	4	Second Revised
Meter Testing	5	Original
Bills	5	Original
Discontinuance of Service	6	First Revised
Customers' Deposits	7	Second Revised
Miscellaneous	8	Second Revised
Fire Protection	9	Second Revised
Water Main Extensions	10 – 10E	First Revised
Installation of Facilities	10F-10H	Third Revised
Appendix A Charges	10I	First Revised
Distribution System Improvement Charge (DSIC)	11 – 11B	Original
<u>Schedule of Rates</u>		
Schedule A – General Metered Rates	12	Eighth Revised
Schedule A – Residential Service	12A	Eighth Revised
Schedule A – Commercial Service	12B	Eighth Revised
Schedule A – Industrial Service	12C	Eighth Revised
Schedule A – Public Authority Service	12D	Eighth Revised
Schedule A – Sales for Resale	12E	Eighth Revised
Schedule B – Rates for Public Fire Hydrant Service	13	Eighth Revised
Schedule C – Rates for Private Fire Hydrant Service	14	Eighth Revised
Schedule D – Rates for Private Unmetered Fire Service Line	15	Eighth Revised
Schedule E – Miscellaneous Fees and Charges	16 – 16A	Original
Schedule F – Distribution System Improvement Charge (DSIC)	17	Eighteenth Revised

## DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

In addition to the net charges provided for in this Tariff, a charge of ~~4.15%~~ 5.28% will apply to all charges for bills rendered on or after ~~July 1, 2013~~ January 1, 2014.

The above charge will be recomputed semi-annually, using the elements prescribed by Section 314 of Title 26 of the Delaware Code.